

SEMI-ANNUAL GRANT REPORT

COOPERATIVE DEVELOPMENT PROGRAM:

BUILDING LOCAL CAPACITY (FAO-A-00-97-00014-00)

Covering June 1 - December 31, 2000

NATIONAL COOPERATIVE BUSINESS ASSOCIATION

**Completed for the Agency for International Development
(AID) BHR/PVC**

SEMI-ANNUAL COOPERATIVE DEVELOPMENT PROGRAM (CDP) REPORT
REPORT PERIOD June 1 - December 31, 2000

NATIONAL COOPERATIVE BUSINESS ASSOCIATION
BUILDING LOCAL CAPACITY
Cooperative Agreement No. FAO-A-00-97-00014-00

Highlights of the Reporting Period

There were a number of significant gains made by NCBA-assisted indigenous cooperative development organizations (ICDOs) and cooperatives under the CDP program. The details are discussed in the body of the narrative. Following are some of the highlights followed by a short article on the visit of an official of BHR/PVC to NCBA-assisted projects in Nicaragua and El Salvador. It should be noted that the ICDOs in Mali and El Salvador were founded by local nationals who were staff members of former NCBA-assisted projects under USAID funding, in order to further disseminate the use of the NCBA cooperative development methodologies.

- CDP-assisted coffee producing cooperatives in Indonesia signed 38 new sales agreements, bringing the total number signed since the beginning of CDP assistance to 104 for a total export sales volume of \$4.1 million. The cooperatives have committed \$648,000 to reserve capital. A major project achievement occurred during the reporting period when the principal buyer of Sulawesi specialty coffee, a large US based specialty coffee chain, decided to procure all of its Sulawesi coffee from project-assisted cooperatives.
- CDP-assisted PROEXSAL, the import/export cooperative in El Salvador, marketed 19 fruits and vegetables in 2000. Its total volume for the year was \$273,000 including provision of a small amount of consulting services. It has signed 10 marketing contracts to date with a total value of \$1,012,300.
- CLUSA de El Salvador trained producer groups in production of organic inputs (insecticides, fungicides and fertilizers) in order to cut production costs. It continued to train cooperatives and other grower groups in organic farming and preparation for organic certification. In its first two years of existence the organization signed 13 contracts for its services with a total value of \$1.4 million. One contract is with Peace Corps/Honduras.
- The 4 ICDOs assisted in Mali have signed 70 grants and contracts for their training services with a total value of \$1.4 million. (Four of these were signed with NCBA/Mali shortly before the beginning of CDP assistance and are ongoing.) Subjects in which the ICDOs are often called upon for training include: administrative and financial management, effective governance, advocacy and others. Several prominent US NGOs have used their training services. Some of the ICDOs have gained agreement by grassroots cooperative and community organizations to pay part of the costs of their training.
- POSDEV, the African ICDO membership organization, generated approximately 25% of its budgetary needs outside of NCBA support to meet some of its operational costs and to finance a training session on financial management for member organizations, in 2000.

- In Nicaragua, Cooperative Resources International (CRI), Shawano, WI, has hired a Nicaraguan Project Manager for the CDP subgrant on-site work with dairy cooperatives. He was provided US training. In addition, CRI supplied the project the Uniform Dairy Enterprise multi-herd management software program and two ration balancing software packages for use on-farm and at the feed production plant. Local staff was provided training in their use.
- In Nicaragua, the CDP-assisted National Union of Farmers and Cattlemen (UNAG) established a subsidiary marketing company, AGRONEGSA, to serve its 35,000 member families. The new company is expected to be a major source of income for UNAG.
- NCBA/Washington continues to work to diversify sources of project funding. During the reporting period a 416(b) Food Monetization 3-year agreement for \$4 million was signed with USDA for assistance primarily to West Timor. A second 416(b) proposal was submitted to USDA for 2001. An agreement was signed with OXFAM/Mozambique for \$125,000/year for 3 years. Funding is from the European Union.
- South Africa- NCBA entered into an agreement with the Cooperative Housing Foundation (CHF) and Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA) to implement the Community Entrepreneurship and Business Initiative Program (CEBI) in two townships in the Port Elizabeth area. NCBA will be responsible for the Business Creation and Training Unit (BCTU) and has hired two South Africans, a Marketing Manager and a Training Manager, for implementation. Both group and individually owned businesses will be assisted. While detailed reporting on this project will be coordinated through CHF, NCBA will include a summary of NCBA's work on the project in its future CDP reports.

OFFICIAL OF USAID OFFICE OF PRIVATE VOLUNTARY COOPERATION VISITS NCBA-ASSISTED PROJECTS IN CENTRAL AMERICA

Martin Hewett, Senior Program Officer, BHR/PVC, visited NCBA CDP funded activities in El Salvador and Nicaragua during a visit to Central America in September. He also visited activities of Technoserve and Partners of the Americas.

Mr. Hewett's post visit comments were very positive regarding the business and income generation focus of the NCBA projects. He visited PROEXSAL and one of its 57 clients, the cooperative, Organic Producers of Los Planes, which is producing and marketing 12 different certified organic fruits and vegetables. In addition, PROEXSAL, as a result of prior marketing work done under agreement to Catholic Relief Services, recently signed another agreement with that organization to develop an import/export enterprise in Guatemala similar to PROEXSAL.

Cooperativa San Francisco of Camoapa, Nicaragua, was also visited by Mr. Hewett. It is one of two dairy cooperatives receiving assistance under a subgrant NCBA made to Cooperative Resources International (CRI) of Shawano, Wisconsin. CRI is assisting the cooperatives members to increase milk production through genetic and nutritional improvements of the local cattle. In November, 1999 Cooperativa San Francisco inaugurated a new feed concentrates plant building for which it had raised its own funds. CRI/NCBA provided the equipment for the plant. The cooperative has also added several new artificial insemination (AI) routes and created nuclei farms to be able to cover all farmers needing services. It reimburses CRI 60% of the cost of semen supplied by it. Mr. Hewett also visited the National Union of Farmers and Cattlemen (UNAG) in Managua. NCBA is assisting UNAG to build the capacity to develop and manage new business opportunities for itself and its members and to develop lobbying skills.



Mr. Martin Hewett, Senior Program Officer of the USAID/Washington Office of Private and Voluntary Cooperation, visits the greenhouse of the Organic Producers of Los Planes Cooperative, Chalatenango, El Salvador, which produces transplants of organic vegetables for sale to members and non-members.

I. FOCUS COUNTRY PROGRAMS

PROGRAM PURPOSE: To support the development of cooperative systems in Indonesia, Mali, El Salvador, Nicaragua and South Africa.

A. **Indonesia** - Indigenous Cooperative Development Organizations (ICDO) partner is PUSPETA LUWU, a second level federation of cooperatives on South Sulawesi. The objective of the project is to increase the incomes of the small-scale coffee growers in the project area and to strengthen their cooperatives.

1. Innovative approaches designed and developed to encourage growth of cooperatives or cooperative systems with the above-mentioned ICDO.

Assistance was continued to KJUB PUSPETA LUWU as well as to NCBA's counterpart primary farmer cooperative, KUD Sane, in the Tana Toraja district of S. Sulawesi. NCBA assisted with the management, operation and marketing of the expanded procurement, processing and export of the fourth harvest season's crop (harvest started in May, 2000 and shipments continued until the end of the period in December, 2000). Importantly, NCBA continued the expansion of the program by completing the set up of a replication of these same activities with cooperatives in North Sumatra province. Once formed, NCBA provided technical assistance in the construction design and in procurement of equipment and machinery for a cooperative coffee processing operation in North Sumatra. NCBA also provided managerial staff to train the operations personnel in general management, accounting and administration. Coffee buying and processing operations in North Sumatra commenced in February, 2000 and continued until mid-May, 2000. The new area's initial production was exported during May, 2000. Seasonal production operations started again in October, 2000 and will continue through to May, 2001.

2. Types and amounts of assistance delivered by NCBA to ICDOs during the period.

22 days of assistance were provided. Technical assistance and training were provided in farmer organization; coffee quality, procurement, processing; administration and accounting. These services are now operational. Advisory services were provided in management, administration and accounting. The management systems are now functional. Assistance was also provided in international marketing, coffee processing factory design, processing equipment procurement and installation. The new factory has been constructed and is now functional and products produced now have export markets.

3. Income generating business linkages and methodologies introduced by NCBA and/or ICDO to ensure sustainability of ICDO.

NCBA has (a) trained and put new management in place within the ICDO specifically for this activity; (b) earned the loyalty and support of farmers supplying coffee to the activity; (c) introduced a procurement and processing methodology that ensures the highest possible quality and price for the farmers and the ICDO; (d) arranged for the

provision of the required export licensing for the cooperative; (e) assisted in the design and construction of new coffee factories from the proceeds of the earlier crops and, (f) arranged for a long-term viable and attractively priced export market for the coffee.

4. Number of long-term partnerships established with new clients/members in Indonesia to strengthen their capabilities and sustainability.

Long term partnerships included the joint working arrangement between the primary farmers cooperative and the secondary cooperative as well as with major specialty coffee importers and distributors in the US, Japan, Australia, New Zealand and the United Kingdom. A major new market network was established during the period in both the US and Germany. A major project achievement occurred during the period when the principal buyer of Sulawesi specialty coffee, a large US based specialty coffee chain, decided to procure all of its Sulawesi coffee from project-assisted cooperatives.

5. Describe program development activities and services provided to the ICDO to support its efforts to meet the needs of beneficiaries. Examples: business or organizational assessment tools, accounting manuals, sample proposal formats, etc.

Program development activities included (a) recruiting, hiring and training new management and staff for the activities; (b) development and putting into place systems for the procurement, processing and marketing of members' coffee; (c) development and putting into place computer augmented administration and accounting systems; and, (d) developing, maintaining and expanding export markets for the higher priced specialty coffee and the export of the fourth season's crop in Sulawesi and the first season's crop in North Sumatera.

6. Contacts made by NCBA and/or host partner ICDOs with country authorities to influence policy changes toward a more positive climate for cooperatives.

NCBA has had a 23 year presence in Indonesia and throughout that period has dedicated itself to fostering contacts with GOI officials at the national, provincial and district levels to foster a positive policy climate for the success of the cooperative enterprise model. Specifically for this activity, it has gotten approvals and support from the Ministry of Cooperatives and Ministry of Industry and Trade in Jakarta, the Provincial Heads of the Ministry of Cooperatives and the Ministry of Industry and Trade in Ujung Pandang and Medan, the Governor's and District Commissioner's Officers in South Sulawesi and North Sumatera, and the District Cooperatives and Trade Officers in Luwu, North Tappanuli and Tana Toraja.

7. Contacts made by NCBA with USAID representatives on behalf of activities covered by the core grant.

NCBA has maintained continual contact with the USAID/Indonesia Director's office, the Program Officer's office, and the S.O.-5 office on this subject as well as its other projects

in Indonesia. Two USAID officials visited the project site during previous reporting periods.

8. Indicators matrix for PUSPETA LUWU.

The matrix is attached as Annex I.

9. Attach a narrative success story on the ICDO assisted in your country using core grant funds. Include information on what has been achieved focusing on "people level" impact. Also include a statement of what future impact potential exists for the ICDO and specify time-frame.

Since the beginning of NCBA assistance to the ICDO, KUD Sane (primary cooperative) 3 1/2 years ago, adulteration of the coffee has been stopped, lost US markets consisting of major specialty coffee brokers and distributors, have been recovered and new markets have been obtained in the UK, Japan, Australia and New Zealand. The project's product has now become a premier coffee brand in the US market once again. During the reporting period the project added viable premium markets in Germany and the US. Most importantly, the largest buyer of Sulawesi specialty coffee, a well known US coffee shop chain, has given the project assisted cooperatives all of its Sulawesi procurement business. After the project's fifth reporting period, KUD Sane together with PUSPETA Luwu had prepared and mobilized for a much larger third harvest, while having exported all of the previous crop. During the current reporting period, the project procured and processed the majority of the fourth season's crop with an increase of approximately 120% over the previous season's volume. During this reporting period the cumulative number of sales agreements signed so far rose to 104. Sales for the 3 1/2 year implementation period rose to \$4.1 million and total amount of accumulated or reserve capital rose to \$648,000. The cooperatives have used proceeds from their earlier coffee sales to construct a coffee factory. During the first four seasons the project cooperatives procured and processed over 3.7 million pounds of export grade green coffee. The project has assisted the cooperatives in stabilizing and increasing prices to farmers while providing services that facilitate farmer marketing logistics. This has forced other local traders to greatly improve their products and services to farmers. The project has assisted farmer cooperatives in greatly increasing the quality of coffee which has led the main US, Japanese, Australian and UK importers not only to buy the coffee again but to buy it at a price substantially higher than is paid for others in the marketplace.

It is difficult to specify exactly the potential impact of the project. The very positive results of the first two years however led the project to expand its operations significantly both in volume and scope. It expanded to one more second level and two more primary cooperatives in two other districts in North Sumatera. For all intents and purposes, the situation existing in the project assisted areas in North Sumatera was very similar to that in Sulawesi prior to the project (disorganized cooperatives which had lost markets, etc.) and the impact of project assistance is anticipated to be the same.

10. Were there any long term relationships established with any new ICDOs in Indonesia to

strengthen their capabilities and sustainability?

The new long term relationships developed during the period were those as described above. The major long term relationship developed during the current period was with the expansion of the program to the North Sumatera cooperatives.

- B. El Salvador-** One ICDO partner is PROEXSAL (Producers and Exporters of El Salvador), a second level marketing cooperative whose clients are 12 member cooperatives and 43 other groups of small-scale growers engaged in producing fruits and vegetables for domestic and export markets. PROEXSAL also handles imports. The objective is to assist PROEXSAL to become financially self-sustaining and improve its services to members and other clients, resulting in higher incomes for farmers. Assistance is also provided to CLUSA de El Salvador, a Salvadoran organization formed by NCBA-trained nationals which provides training and technical assistance to cooperatives and grower groups in growing and handling of non-traditional agricultural crops including organically grown crops. It also assists them to prepare for organic certification. PROEXSAL and CLUSA de El Salvador are jointly implementing a \$1.4 million IDB project to assist small scale growers.

1. Innovative approaches designed and developed to encourage growth of cooperatives or cooperative systems with the above-named ICDOs.

PROEXSAL continued to develop new local and regional vegetable and fruit producer groups. Eleven womens groups were trained in value added processing of strawberry and passion fruit jams, frozen passion fruit concentrate, coconut/chocolate candy and pickled vegetables. PROEXSAL moved its office to a location which is less costly, larger and more easily accessible. CLUSA de El Salvador continued to train producer groups being assisted through the IDB project in production of organic inputs (insecticides, fungicides and fertilizers) to reduce costs. New groups were provided organic production, input development and marketing assistance through projects recently awarded CLUSA de EL Salvador by Austrian AID and the USAID Annual Program Statement Project entitled, Agricultural Technology and Marketing Services Project.

2. Types and amounts of assistance delivered by NCBA to ICDOs during the period.

54 days of assistance were provided. Technical assistance was provided to PROEXAL in development of quality control standards for packing fruits and vegetables. Standards were developed for 7 commodities. Training was provided in quality control monitoring of fresh product in supermarkets. PROEXSAL is monitoring 3 stores, as a result. Training was also provided to help PROEXSAL to increase the products it sells. New products added during the reporting period include jams, candy and pickled products.

CLUSA de El Salvador received the following assistance. 585 board members and other members of assisted grower groups were trained in "The Cooperative as a Business" and in office management. Thirteen groups were provided training and technical assistance in organic vegetable and fruit production and marketing. Logistic support was provided for

Victor Guzman of Mayacert who performed an organic certification inspection of the Organic Producers of Los Planes. The cooperative of 35 small scale farmers then received the requested organic certification. MayaCert is an independent organic certifying company from Guatemala which does inspections for BCS OKO Garantie of Germany. The cooperative produces, packs, markets and distributes the following certified organic products: 4 types of leaf lettuce, head lettuce, spinach, baby carrots, bunch onions, Swiss chard, radishes, broccoli and strawberries.

3. Income generating business linkages and methodologies introduced by NCBA and/or ICDOs to ensure sustainability of ICDOs.

PROEXSAL was contracted by Catholic Relief Services (CRS)/Guatemala and OXFAM America and marketed and distributed \$65,000 in gross sales of fruits and vegetables from Guatemalan producer groups. PROEXSAL signed a Technical Assistance/Training Agreement with CRS/El Salvador in 1999 to develop small producer groups for the production and marketing of fruits and vegetables in the various regions of El Salvador. As a result of the continued relationship with CRS, PROEXSAL has signed an agreement with CRS/Guatemala to develop a PROEXSAL-type enterprise in Guatemala. During the reporting period CLUSA de El Salvador provided 7 days of consulting services to the CLUSA Post Mitch project in Nicaragua; 18 project technicians and small scale producers were given training in management of supervised credit. Peace Corps/Honduras contracted CLUSA de El Salvador to train the San Marcos de Colon Coffee Producers Cooperative in organic coffee production and certification. It also assisted 16 Salvadoran cooperatives and groups.

4. Long-term partnerships established with new clients/members in El Salvador to strengthen their capabilities and sustainability.

Through the assistance of NCBA, PROEXSAL signed an agreement with La Fundacion para La Cooperacion y el Desarrollo Comunal de El Salvador (CORDES) to jointly develop, legally register, and operate a Center for the Production of Biological Insect Controls (CREE). Through the direct assistance of NCBA, CLUSA de El Salvador was awarded a technical assistance contract with HUISIL, S.A. in early 2000 to provide assistance in organic certification and employee training. This private company produces organic formula fertilizers. Its capacity is 40,000 pounds of product per day. The contract was completed and HUISIL was granted organic certification by BCS Oko Garantie of Germany. CLUSA de El Salvador was also contracted by HUISIL to develop a promotional video for the certified organic inputs.

5. Program development activities and services provided to the ICDO to support its efforts to meet the needs of beneficiaries.

Organizational and management manuals were completed for the La Carrera Cooperative of Usulután and the Organic Producers of Chalatenango. A strategic plan was developed with the Coordinator Group of Bajo Lempa. This second level organization is made up of 48 community groups located in areas affected by Hurricane

Mitch. It provides technical assistance and training in setting up demonstration plots; crop diversification; irrigation systems; chicken, fish and shrimp production; credit access and marketing.

6. Indicators used to measure the improved performance of the ICDO.

Matrix is attached for PROEXSAL as Annex II. The CLUSA de El Salvador matrix is attached as Annex III.

7. Describe contacts NCBA and/or its host partner ICDOs have made with host country authorities (national, district or municipal) to request or influence policy changes toward a more positive climate for cooperatives or group enterprises.

At the request of the Ministry of Agriculture, PROEXSAL has participated in various work sessions to advise on the development of a "Farmers Market" model. San Martin is being considered as a first possible location. The market would allow small scale farmers access to or contact with supermarket, hotel and restaurant buyers. CLUSA de El Salvador held meetings with the Ministries of Economy and Education to present proposals on employment/income generation and environmental protection (reactivation of the GLOBE project). CLUSA de ES also presented to the Mayor and Municipal Council of Concepcion Batres, Usulután, a proposal which had been submitted the Inter-American Development Foundation for support. The proposed project will involve CLUSA de ES in providing assistance to communities in and around the municipality in production and marketing of organic agricultural products.

8. Describe NCBA contacts with USAID Mission representatives on behalf of activities covered by the core grant.

Periodic briefings on activities are provided to the USAID/ES Director and Environmental Officer, as well as the Economic Counselor of the US Embassy. Briefings on project activities were also held with Inter-American Development Bank and OXFAM America staff. PROEXSAL's office and some of its client organizations were visited by Martin Hewett, Senior Program Officer from the Office of Private and Voluntary Cooperation (PVC), AID/Washington.

9. Long term relationships established with new ICDOs in El Salvador to strengthen their capabilities and sustainability.

As part of assistance to CLUSA de El Salvador, meetings continue to be held with four certified organic coffee grower groups to promote the development of an organic coffee growers export association.

10. Work plan for January 1 – May 31, 2001.

PROEXSAL

- Provide periodic quality control evaluations on product being packed, processed and displayed in supermarkets.
- Identify new markets and provide market, trends and buyer information which will benefit PROEXSAL as well as the local or regional producer groups being assisted by it.
- Assist in contract negotiations when requested by PROEXSAL.
- Identify new sources of technical assistance and training that PROEXSAL can access to increase commodity flow through PROEXSAL and insure producer group diversification, development and strengthening
- Provide administrative support in all areas related to cost reduction and increased efficiency; continue the development of a profitability mentality
- Assess all organic certification requirements related to PROEXSAL and producer groups being assisted.

CLUSA de El Salvador

- Provide assistance in strategic planning, participative development, followup and evaluation of all projects
- Develop strategies for marketing CLUSA de El Salvador's services to the donor, NGO and private sectors
- Establish staff performance evaluations.
- Continue the development of a profitability mentality in the organization.

C. **Nicaragua**- NCBA is providing assistance to the National Union of Farmers and Cattlemen (UNAG). The purpose of assistance to this ICDO is to strengthen its institutional capacity to serve its members both through effective advocacy and through developing and managing new business services and opportunities which meet member needs, and to assist UNAG to become a self-sustaining organization..

1. Innovative approaches designed and developed to encourage growth of cooperatives and cooperative systems with the above-named ICDO.

UNAG serves 35,000 families in all departments of the country. Founded in 1981, it has survived because of donor projects, very few of which have been directed at the institutional development of UNAG itself. To survive and continue to provide services and representation to its rural constituency, UNAG must transform itself into a sustainable organization. NCBA assisted UNAG to establish a separate marketing subsidiary organization, AGRONEGSA, which it totally owns. The organization will deal with marketing and payment constraints facing members. NCBA has helped UNAG develop a bottom up approach to determining members' priorities for lobbying, both internal and external.

2. Types and amounts of assistance delivered by NCBA to ICDO during the reporting period.

NCBA provided 13 days of technical assistance to UNAG during the reporting period. The assistance included help with an inventory of all UNAG assets, nationwide, and

completion of an external audit. NCBA developed and presented a marketing workshop to key staff and member participants as well as lobbying seminars. NCBA has assisted AGRONEGSA in its search for loan funds for members and itself. NCBA is providing UNAG and AGRONEGSA \$65,000 each in institutional support for the Jan. 1, 2001 - May 31, 2002 period.

3. Income-generating business linkages and methodologies introduced to ensure sustainability of local organizations and their programs.

AGRONEGSA was formed in August, 2000, to address several constraints affecting producer-members, including lack of market information and marketing know-how as well as delays in receipt of payment until production was sold. Access to credit is also a constraint throughout the production and marketing chain. This is not directly addressed by AGRONEGSA because it has no funds to loan but it constantly looks for funds to ensure production to meet market commitments and to finance purchase of product from farmers. AGRONEGSA's limitation during its first four months has been that it does not have sufficient access to loans for purchase of product from all the producers who want to sell through it. It is marketing product of its members and paying them for product at the time of collection which is not the usual practice in Nicaragua. The first venture of the company was the marketing of seeds in collaboration with a USAID-funded program, PROMESA, which has as its objective the improvement of the quality of seeds produced and used in Nicaragua. In addition, AGRONEGSA has developed a good relationship with the Ministry of Agriculture and participated in a nationwide sale of fertilizer. It is expected that the company will, over the next five years, become an income generating source for UNAG.

4. Number of long term relationships established with new clients/members in Nicaragua to strengthen their capabilities and sustainability.

See 1-3 above on AGRONEGSA.

5. Program development activities and services provided to ICDO to support their efforts to meet the needs of beneficiaries.

These include a system-wide accounting system, inventory system and definition of a process to determine lobbying priorities.

6. Contacts made by NCBA and/host partner ICDO with host country authorities to influence policy changes toward a more positive climate for cooperatives.

None during this reporting period.

7. Contacts made by NCBA with USAID representatives on behalf of activities covered by the CDP.

The USAID/Nicaragua Office of Economic Growth was kept informed of the activities planned, especially with AGRONEGSA. USAID is particularly interested in collaboration between PROMESA, NCBA/CLUSA and FINAG, a supervised credit facility operating under the NCBA/CLUSA project operating in Mitch affected areas with USAID funds.

8. Indicators used to measure the performance of the organizations.

The matrix for UNAG is attached as Annex IV. The indicators for AGRONEGSA are being prepared and the matrix for AGRONEGSA will be included in the report for the next reporting period.

9. Work plan for January 1 - May 31, 2001

UNAG

- Assist in development of strategic plan
- Provide auditing and inventory training
- Continue work with UNAG on definition of its lobbying process/plan

AGRONEGSA

- Provide training in monitoring/control of administrative costs and cash flow
- Provide training in monitoring of income/expenses against projected financial plan
- Monitor operations for areas of/need improvement.

D. Mali- NCBA assists four ICDOs in Mali: A.CO.D., SABA, G.FORCE and INAGEF. The objective of the NCBA assistance is to strengthen the operations of these NGOs so that they become self-sustaining and effectively use the methodology NCBA has developed for rural group business and community based resource development.

1. Innovative approaches designed and developed to encourage growth of cooperatives and cooperative systems with the above-named ICDOs.

NCBA is assisting the four organizations to use effectively the innovative methodology for cooperative development which has been developed over fifteen years of NCBA work in Africa. The methodology is highly participatory and emphasizes village level decision-making; intensive, experiential training at the village level; profitability and linking of all training directly to business operations. All four organizations are subcontractors to the USAID-funded, NCBA-assisted Cooperative Business Management Capacity Building and Advisory Services Program which provides training and advisory services to 247 village based cooperative businesses (village associations or AVs) and 156 community organizations in the four central regions of Mali. In addition, SABA and G.FORCE

are experimenting with an interactive methodology for functional literacy in 20 villages through an assistance program implemented by Plan International.

INAGEF is working with cooperatives and federations, associations of parents of students, national level NGOs and rural enterprises in democratic governance activities. The approach used in this work is based on the provision of civic information and training of clients in advocacy. The laws governing these diverse organizations are translated into local languages and, step by step, are explained to members. The members are instructed in techniques and strategies of the promotion and defense of their organizations' interests. During the reporting period INAGEF worked on regrouping community organizations into specialized groups so that they can better defend their interests. This approach emphasizes conducting workshops for community organizations working on the same issues. The workshops permit the strengthening of the skills of community leaders who may attend several times, and the harmonization of points of view to be able to mount a proper challenge or campaign on specific topics. 45 specialized groups have been formed in the four regions to defend their interests. They are made up of 417 civil society organizations which are AVs and others.

During the reporting period A.C.O.D. decided to include in its approach a minimum package of services for partners which are Community Health Associations. It also began to collaborate with other organizations working in the livestock and vegetables subsectors in the Sikasso Region. A.CO.D. is dealing with organizations of vegetable producers and some aspects of marketing while another organization, AMATEVI, is working on production and improving product quality. In the livestock field A.CO.D. works with the Center for Agro-Enterprise (CAE) which is providing financing for organizations producing high quality animals while A.CO.D. provides training to these organizations in preparation of work plans, management, cost controls and organizing marketing operations.

SABA decided to participate in the creation of a company for importation and distribution of essential generic medicines to community health associations of Mali. It hopes, through this company, to facilitate the access of community-managed health centers (ASACOs) to essential medicines and to permit them, as shareholders, to produce supplementary revenues which can be used for institutional development and for promotion of health in their respective areas. Approximately 20 ASACOs are becoming shareholders.

2. Types and amounts of assistance delivered by NCBA to ICDOs during the reporting period.

The NCBA Deputy Director for Africa Programs provided 10 days of assistance to the ICDOs in which he conducted a workshop on organizational strategic planning for 15 ICDO staff. A.CO.D. has completed the drafting of its strategic plan. SABA completed the redefinition of its strategic objectives and rewrote its vision statement to simplify it. They also prepared a profile of organizational values.

3. Income-generating business linkages and methodologies introduced to ensure sustainability of local organizations and their programs.

The four ICDOs continue to establish relationships with various donors, Government of Mali offices, NGOs and other partners with whom they can sign agreements for work which will earn income and ensure sustainability. Annexes V through VIII indicate the progress made to date and during the reporting period in obtaining contracts and accumulating reserve capital. During the reporting period the following work on linkages was completed by the ICDOs.

A.CO.D. performed an organizational diagnostic for CARE of the community associations of Macina and then established a training program for diversification of activities of the ASACO. CARE and A.CO.D. initiated a program for diversification of sources of revenue of the ASACO partners of the Community Health Program of Macina with extension into the Koro area. For the Center for Agro-Enterprise (CAE) it is conducting a 6 month program to test the marketing of superior quality livestock, with the possibility that the program may be extended to three years. A similar program is being conducted in vegetable marketing. For the Malian Company for Textile Development (CMDT), A.CO.D. conducted a training program on processes for supplying inputs to new farmers. The union of cotton and food producers was consulted on its perspectives and included in the preparation of a training program in management of community organizations in the area covered by CMDT. The Center for International Cooperation in Agronomic Research for Development (CIRAD) and A.CO.D. exchanged perspectives on a framework for collaboration on a program of research for development of the CMDT region. A.CO.D. consulted with the Office of Development of the Upper Valley of Niger (OHVN) on the possibility of starting a program for the organization and development of shea butter. OHVN is providing refinancing of the savings and loan funds supported by A.CO.D. and the two are discussing the possibility of establishment of new savings and loan funds in the Bancoumana area. Direct contacts were made with donor/financing organizations, followed by the submission of technical bids.

INAGEF signed a contract with NCBA/CLUSA/Mali for coordination of civil society organizations as described in 1 above. It also signed a contract with the Ministry of Education, National Office for Schooling of Girls, to train women at the regional level who are responsible for the education of girls and inspectors of basic education. A third contract was signed with AMEX International, a US organization, to provide training courses in leadership for women. The training covers the following topics: civic actions; project preparation; strategic planning and conflict management. INAGEF staff will also provide follow up advice and counsel to the trainees as they seek to implement what they have been taught in their communities.

SABA was chosen to participate in the campaign against AIDS called "One District: One NGO" which is a part of the National Programme for the Fight Against AIDS (PNLS). Under the auspices of the national government and in collaboration with the

Pivot Health Group designated, Population, SABA will begin in January, 2001, conducting an awareness campaign in the areas of Djenne and Bandiagara. SABA also joined the Program for Strengthening of Civil Society Organizations in Africa, PROSOCIA, in June. This organization has members in Mali, Burkina Faso and Niger. It defines its role as reflecting on questions of development and undertaking actions to strengthen civil society organizations through training, support and counsel. SABA also joined the Committee for Coordination of Actions of NGOs of Mali, CCA-ONG. This organization is a grouping of NGOs, both national and international, who work in Mali. The CCA is a forum for dialogue with a view to the harmonization of actions of the NGOs among themselves and with the development strategy of Mali. It is also a forum for discussion concerning adjusting development interventions to the Malian context.

G.FORCE signed two contracts, one for providing training in Active Methods for Research and Planning (MARF) with a private, for-profit organization and, a second, to perform an evaluation of the activities of the national level NGO, LE TONUS, which specializes in micro-credit.

4. Number of long term partnerships established with new clients/members in Mali to strengthen their capabilities and sustainability.

Nothing new to report.

5. Program development activities and services provided to the ICDOs to support their efforts to meet the needs of beneficiaries.

See 2 above.

6. Contacts made by NCBA and/or host partner ICDOs with host country authorities to influence policy changes toward a more positive climate for cooperatives.

The policy in Mali is already generally favorable to the development of cooperatives and cooperative-like businesses such as village associations. However NCBA has assisted the ICDOs in their advocacy work to modify some of the provisions of the cooperative law which make difficulties for cooperative business operations.

7. Contacts made by NCBA with USAID representatives on behalf of activities covered by the core grant.

None during the reporting period.

8. Indicators matrix for A.C.O.D, SABA, G.FORCE and INAGEF.

See Annexes V through VIII.

9. Success Stories

Village animators trained by A.CO.D. have formed an association with the goal of providing training . They have had the support of A.CO.D. in taking this initiative. Already they have many requests for training from womens groups in management and other subjects. A.CO.D. expects to use the association to assist in its training programs for rural enterprises. The formation of the association means that even more rural cooperatives and organizations will receive training based in the NCBA methodology.

SABA is assisting the Community Managed Health Center (ASACO) of Sokoura in diversification of sources of revenue through marketing of cereals. After SABA assisted the organization to conduct a self diagnosis workshop, the 24 villages covered by it and the ASACO office subscribed 16 tons of millet which will be held and sold in June-August when grain prices are significantly higher than other periods. The same strategy is being developed by the ASACOs of Tori and Socoura which are conducting millet collections in the villages in their areas. In the situation where the functioning of the community-based health management committees is difficult and because of their great importance for the access by grassroots populations to obtaining health care, SABA projects the extension of this strategy to all its ASACO partners. SABA will research even more advantageous ways to support the sustainability of the grassroots health services as a matter of policy.

INAGEF assisted the Village Association (AV) of Npolona in the commune of Nossombougou to achieve a major objective of finishing the construction of a warehouse for grain storage. The warehouse had been begun several years ago by the government's Natural Resources Management Program (PGRN). Using skills in advocacy taught them by INAGEF the AV members persuaded the PGRN officials to permit them to employ and supervise a builder to complete the warehouse at PGRN expense. The timely completion of the warehouse was critical to the successful storage and marketing of cereals the AV had purchased for the 1999/2000 season. This successful group action boosted the credibility of INAGEF with the villagers in the area. It also constitutes a mechanism which the rural organizations can continue to use in defense of their interests before public authorities.

10. Work plan for NCBA assistance to partner ICDOs in Mali, January 1- May 31, 2001

- Continue technical assistance to ICDOs in strategic planning and refining of work plans.

E. Pan African Organization for Sustainable Development, POSDEV. This organization, headquartered in Accra, Ghana, assists member ICDOs to strengthen their capacities and effectively implement the methodology for rural group business and other

community-based development which NCBA and its African partners have developed over the past fifteen years. The objective is to assure that POSDEV becomes a financially viable organization.

1. Innovative approaches designed and developed to encourage growth of cooperatives or cooperative systems with the above-named ICDO.

POSDEV disseminates information on innovative approaches and best practices for cooperative systems in Africa by sharing experiences among its thirteen member ICDOs. This is accomplished through exchange visits and publication of a newsletter which seeks also to capture global trends in cooperative development. POSDEV also sources programming opportunities with international donors for its members. During the reporting period, two innovative programs have been designed using cooperatives in key districts in Ghana in pilot activities in decentralization and good governance. If funding is received for these, replication of these programs in other countries where POSDEV has members, is planned.

2. Types and amounts of assistance delivered by NCBA to POSDEV during the period.

22 days of assistance were provided. Following the discussions of the NCBA Director and Deputy Director for Africa Programs with President and Coordinator of POSDEV during the previous reporting period to discuss continued NCBA funding for POSDEV, the development of benchmarks to be met for additional funds for 2001/02, has been completed. NCBA continued to emphasize to POSDEV the necessity to make development of income generating programs its number one priority. This operating mentality is stronger now than ever before in the organization.

The NCBA Deputy Director and Director for Africa Programs prepared a bid for the USAID/Ghana project entitled, Government Accountability Improves Trust (GAIT). NCBA has been awarded this two year project. The POSDEV member organization in Ghana, African Center for Human Development (ACHD) is a subcontractor for implementation of GAIT and POSDEV will be a resource organization. One role of POSDEV will be to train civil society organization (CSO) representatives for participation in a National Advisory Committee which will function under the project as a voice through which the CSOs will make their views known on national policies affecting them. In addition The NCBA Deputy Director also:

- assisted POSDEV to locate a consultant in financial management who led a workshop for POSDEV member organizations.
- assisted KOKARI, the POSDEV member ICDO in Niger which provides loans to rural group businesses, to access 50 million cfa (\$71,400) from French and Belgian organizations for its direct lending program. Most of KOKARI's loans are made to women's group businesses.
- assisted APIC, the POSDEV member in Benin, in preparation of the work plan which will be used in a new water and sanitation project it will implement with Dutch funding.

- assisted APIC to perform an internal organizational assessment.
 - assisted MWANGAZA, the POSDEV ICDO member in Burkina Faso, to perform an institutional audit for the National Literacy Institute with funding from the Swiss.
 - reviewed the results of the MWANGAZA consultancy on revenue generation activities of the community-based health management committees in the USAID-funded Benin Integrated Family Health Program for which NCBA is a subcontractor on community mobilization.
3. Income-generating business linkages and methodologies introduced to ensure sustainability of local organizations and their programs.

NCBA has agreed to provide POSDEV institutional support totaling approximately \$70,000 for the year 20001, based partly on the institutional development plan which POSDEV completed during the reporting period. POSDEV's thirteen member ICDOs also make annual contributions for the operations of the POSDEV Secretariat. Some allocate a specific percentage of funds earned from contracts with donors to POSDEV operations. POSDEV undertakes fee for service contracts, using its member organizations, and implements program components for donor NGOs in African countries for which it charges an overhead. POSDEV also offers its services to donors to coordinate regional programs as a method to earn income. In October the POSDEV President and Coordinator undertook a fundraising mission to Europe and had encouraging meetings with both IFAD and EU. The first has already funded a POSDEV evaluation of IFAD operations in Ghana.

POSDEV signed a contract for \$73,000 funded by the Artisanal Institute of Fisheries of Mozambique through an IFAD grant to provide technical advice, monitoring and reporting for a fisheries project in Mozambique. This follows 3 prior contracts it has completed with IFAD, Christian Aid of Britain and FAO on which it earned \$7,000 in overhead. The total value of POSDEV contracts signed with donors to supply services is \$130,000. POSDEV has been able to generate approximately 25% of its 2000 budgetary needs outside of NCBA support to meet some of its operational costs and to organize a training session in financial management in November for member organizations.

POSDEV submitted to IFAD a proposal to conduct a trainer of trainers program for its trainers within the Business Advisory Centers for Rural Enterprises. The proposed program is aimed at enhancing the delivery of training by these trainers. Another proposal was submitted to the EU to implement a democracy and governance project in Ghana as a pilot program entitled Local Level Good Governance through Support to Rural Producer and Micro-enterprise Groups and Local Authorities. The program aims to develop the culture of accountability among local government personnel while simultaneously training civil society organizations to demand that accountability. The proposal includes replication in Mali, Sao Tome & Principe and Niger. The proposed budget is for US\$339,330. A proposal was also submitted to the International Working Group on Non-formal Education to revitalize the national working groups on non-formal education in Ghana and Mali. POSDEV is to initiate a process whereby individuals and institutions already concerned or interested in the development of non-formal education

are encouraged to develop programs and dialogue on issues affecting the sector. The budget amount is \$16,000. POSDEV was also included as a resource organization in community mobilization and micro-credit by the US organization, Management Sciences for Health (MSH), which won its bid to implement the Africa Service Delivery Project.

4. Number of long-term partnerships established with new clients/members in Africa to strengthen their capacities and sustainability.

POSDEV is increasingly being recognized for its pool of African experts in areas such as cooperative/farmer association operations, training of trainers and entrepreneurs in business skills and advocacy, participatory training methods, democracy and governance, community based natural resources management and health care cost recovery management as well as income generation. POSDEV's reputation is attracting applications from a wide variety of African NGOs seeking to join. Sixteen new applications for membership were received during 2000. One organization, the Associacao Crista Jovens of Angola, was admitted as the thirteenth member at the 4th General Assembly held in Ouagadougou in November. All applicants receive the POSDEV newsletter. Other applicants are national organizations of Cameroon, Togo, Democratic Republic of Congo, Kenya, Nigeria and Benin. During the Assembly members were able to review the by-laws of the organization and fine tune operational policies.

POSDEV serves on the Advisory Committee of Interaction's (Council of US PVOs) African Liaison Program Initiative (ALPI) which seeks to improve the tripartite relationships between USAID, US PVOs and African NGOs. Membership on this Committee is for three years. Within this framework POSDEV continues to establish links with development organizations such as Development Network of Nigeria, the Uganda Women's Network and the Federation of NGOs of Angola. Through ALPI POSDEV is able to network with new coalitions of NGOs that are emerging in the sub-region.

5. Program development activities and services provided to POSDEV to support its efforts to meet the needs of members/beneficiaries.

See 2 above.

6. Contacts made by NCBA and/or POSDEV with host country authorities to influence policy changes toward a more positive climate for cooperatives.

POSDEV has held regular consultations with key personnel of the Ghana Education Ministry and Institute of Adult Education concerning its proposal to revitalize working groups on non-formal education in Ghana.. The NCBA Deputy Director for Africa Programs prepared the format for a workshop to be held by the National Cooperative Council of Ghana so that the country's cooperatives can have a voice in revisions of the bill relating to cooperatives which is to be acted upon in the next session of the national legislature which begins early in 2001.

7. Contacts made by NCBA with USAID representatives on behalf of activities covered by the core grant related to POSDEV.

None this reporting period.

8. Indicators matrix for POSDEV

The matrix is attached as Annex IX.

9. Work plan for NCBA assistance to POSDEV using core grant funding, January 1-May 31, 2001.

- Work with POSDEV Secretariat on establishment of National Advisory Committee on Civil Society Organizations under the GAIT project
- Train POSDEV in review of grassroots issues to be submitted to the Advisory Committee
- Work with POSDEV in development of the advocacy skills training role it will play as part of the GAIT project.

II. BUILDING NCBA CAPACITY

PROGRAM PURPOSE: To strengthen the capabilities of U.S. cooperative development organizations (CDOs) to support international development on a sustainable basis.

- A. Professionalizing management systems and technical capacity of US CDOs to support cooperative development activities internationally.

No activities during the period.

- B. Building organizational commitment of NCBA and its membership to support international cooperative development activities.

- Developed 2001 goals and work plan for Board approval. Goal and objectives are as follows:

GOAL: Increase the USD volume and number of international cooperative projects by at least 10 %.

Objective 1: Achieve a dollar volume of activity of \$ 17,000,000 and an average number of programs managed per year of 20.

Objective 2: Diversify the international cooperative development portfolio by including at least 1 new project in a diversified area of community-based management services such as health, natural resources, democracy and governance or education.

Objective 3: Develop a more diversified base of financial support for international cooperative development activities by achieving the following sources of revenue:
85% - USAID ;
14% - Other private and multilateral donors;
1 % - NCBA's own resources

Objective 4: Develop 1 set of recommendations for indirect cost structure that is efficient and competitive.

Objective 5. Involve 1 NCBA member on international activities either as a volunteer or through a commercial venture.

Objective 6. Develop and produce 8 informational presentations that demonstrate, document and explain NCBA's approach and international development experience.

Objective 7: Revise 1 financial procedures manuals; 1 personnel administrative manual; train staff.

- Published articles on AID-funded international cooperative development activities in NCBA's monthly newspaper – *Cooperative Business Journal (CBJ)*

C. Number of volunteers engaged in support of program delivery in the field.

No activity during this reporting period.

D. Efforts made to broaden the development resource funding base of NCBA to enhance long-term sustainability of international cooperative development.

- Signed agreement with OXFAM/Mozambique for \$125,000/year for three years. Funding is from the European Union.
- Signed a 416(b) Food Monetization agreement with USDA for \$4,000,000. Program will be implemented over 3 years. A second 416(b) proposal has been submitted to USDA for FY 2001
- Made a presentation to the World Bank on NCBA/CLUSA's approach to developing cooperatives and member-owned businesses in the developing world.

E. Partnerships implemented with other US CDOs.

- NCBA, WOCCU and CARE are exploring opportunities to work collaboratively in Mozambique.
- NCBA and ACDI/VOCA are exploring joint programming opportunities in West Africa using PL480 funding.

F. Outreach made to cooperative community and US public to increase awareness about cooperative development overseas.

- Published articles on AID-funded international cooperative development activities in NCBA's monthly newspaper, *Cooperative Business Journal*.
- G. Follow-up contacts with overseas cooperative partners to ensure their sustainability.
- NCBA assisted UNAG in Nicaragua to develop and present a series of workshops on strategic planning, lobbying, and increasing the national influence of the Association.
- H. Monitoring and evaluation activities undertaken to document impact of cooperative development activities on host-country beneficiaries.
- Completed a paper entitled, THE ZAMBIA RURAL GROUP BUSINESS PROGRAM: SUMMARY OF LESSONS LEARNED.
- I. Follow-up contacts and activities with AID.
- NCBA participated in a BHR/PVC sponsored workshop on future directions for PVC
 - NCBA attended the Workshop on Best Practices in Development of Sustainable Producer Organizations, organized by the Sustainable Development Office of the Africa Bureau of AID/Washington and held in Nairobi. Two NCBA staff members made presentations.
- J. Major planned activities for the period January 1 - May 31, 2001.
- Hold sub-regional planning and training workshop - Southern Africa
 - Monitoring visit to CDP-funded Port Elizabeth, South Africa, CEBI Project
 - Revise and disseminate instructions and formats for collecting and reporting in-kind matching contributions
 - Meet with USAID Mission officials in Uganda and Angola regarding future program potential.

III. SUB-GRANT PROGRAM

PROGRAM PURPOSE: To support the development of cooperative systems in **Nicaragua** through a **subgrant to Cooperative Resources International (CRI)**, Shawano, Wisconsin. The objective of the subgrant activity is to increase milk production in cooperative members' herds by improving cattle genetics and overall physical conditions, through the use of artificial insemination, nutrition and farm management; therefore increasing the incomes of cooperative members in two cooperatives.

A. Program Results in the Field

1. Implementation of innovative activities overseas by Subgrantee.

The main CRI emphasis this reporting period has been placed on technology transfer, personnel training, and further development of the services provided Nicaraguan dairy farmers by their cooperatives.

The CRI Artificial Insemination program has provided the Nicaragua project the Uniform Dairy Enterprise multi-herd management software program. This program will track individual member farms and their respective herds, cataloging individual cow health, reproduction status and history and milk production. The plan is to use the Dairy Enterprise data base to track project inseminations, determine current production baselines and record milk production increases realized in project offspring. This program will also generate for participating farmer members individualized information essential to making good management decisions. This information will include both aggregate herd data and individual cow production and profitability. A Farmer-to-Farmer volunteer worked with project farmers on accounting, including cutting operational costs, and calculating income increases.

Through its AgSource subsidiary, CRI sent qualified personnel to oversee the installation and translation of the Uniform Dairy Enterprise Program within the Cooperativa San Francisco Artificial Insemination Department (AI). AgSource Herd Management Software Specialist, Gordon Hartman, supervised program set-up and conducted training of local personnel, including the AI Department Coordinator. He also trained a Peace Corps Volunteer working with the cooperative.

CRI also provided scales for milk production monitoring and provided training on establishing and implementing an individual cow milk production monitoring regimen for participating farmer members. Milk production data collection, processing and analysis will be incorporated into the duties of the current AI Coordinator position.

To promote sound management at both the farm and cooperative level, CRI purchased and provided to the project cooperatives two ration balancing software packages. The first is the Spartan Nutrition spreadsheet program for on-farm nutrition formulation and the other is The Consulting Nutritionist which will formulate individual concentrates at the processing facility. The latter program has models that control for environmental conditions and indigenous crop production. The new on-site Nicaragua Project Manager, a Nicaraguan, hired by CRI, was trained in these programs in Wisconsin and will provide training to local project personnel and farmers in Nicaragua. These nutrition programs will improve farmer utilization of feed supplements and enhance cooperative services to members and the public by production of quality feed supplements for commercial sale.

2. Initiation and strengthening of field partnerships by Subgrantee.

Through the introduction of these technologies CRI has further empowered Cooperativa San Francisco to diversify and expand customer services to its members.

On November 1, 2000, CRI hired Mr. Jose E. Sarria as its on-site Project Manager in Nicaragua. He will be directly responsible for the day-to-day implementation of the project, promotion of project services, expansion of numbers of participating farmer-members and overseeing the achievement of project goals and objectives.

Mr. Sarria is a graduate of the University of Central America and is a licensed zoologist. He has had extensive experience in Nicaragua's dairy and beef industries. During his US training he received instruction and experience in all phases of the agribusiness service sector, experience which he can adapt to Nicaragua.

Mr. Sarria will direct the project AI component, product development at the concentrates plant constructed earlier and the utilization of arable land owned by Cooperativa San Francisco for commercial feed production. His experience and training are expected to make a major contribution to achievement of project objectives including assisting the participating cooperatives to become more profitable based on new commercial services developed with project assistance.

B. Strengthening the capabilities of CRI to support international development on a sustainable basis.

1. Strengthening of international capabilities for cooperative development by CRI.

CRI worked extensively this reporting period to internalize and streamline project reporting, shipping and accounting processes. With the installation of a local project manager, fluent in English and Spanish, communications between Cooperativa San Francisco and the CRI office in Shawano, Wisconsin will improve. This addition is expected to enable a more immediate examination of project activities and expenses.

Staff has reported to the CRI Board on the Nicaragua project.

2. Involvement of Subgrantee's staff and resources mobilized to implement the program.

CRI provided 228.5 days of assistance to the project during the reporting period. Eight staff members of CRI were directly involved in providing technical and organizational assistance to the program. Two staff members traveled to Nicaragua for three assignments under the subgrant. Eight additional staff members assisted in semen order processing, packing, shipping and

documentation. Three additional staff members assisted in billing, finance and expense reports.

The following departments of CRI are directly or indirectly involved in the development of the project: International, Finance, Public Relations, Video Productions, AgSource Testing Laboratory, AgSource Dairy Herd Improvement Services, Technical Services, Billing, Shipping, Semen Production, Order Processing, Packing, Record Keeping, Computer, Mailing and Supplies.

3. Strengthening Subgrantee's management systems and technical capacity to meet needs to support cooperative development activities overseas.

CRI has continued to work with the Nicaraguan cooperatives' personnel and farmer-members to generate accurate and timely information. While both US and local project personnel have proven adept at meeting program reporting requirements, there is a need to address information use and measurement of project impact. The current reporting design is not conducive to market analysis and service structure analysis. The total inseminations should be reflected as a percentage of total regional cow population, which is the actual market base for sustainable post-project activities. Reporting is being modified to reflect market analysis (how big is the regional cow market and what per cent of it are the participating cooperatives covering; what per cent of it can they expect to cover as they strive for more profitability and increased services to members and non-members?) This analysis becomes ever more important as CRI goes into the final phase of the subgrant and plans its eventual exit strategy.

1. What has been achieved with focus on "people level" impact.

CRI continues to receive excellent cooperation from Cooperativa San Francisco in the implementation of the project. The main activities which have caused a profound impact, not only on the Cooperative members but also in the area, have been:

- the genetic improvement provided by the project, evidenced by the quality of the cattle born through the insemination program
- the opening of the Concentrates Plant which is supplying all area members and non-members with high quality concentrate mixes, prepared for different types of animals, according to the animals' specific nutritional needs
- the establishment of the grain plots at the Cooperative's farm site which will supply seeds for grains for concentrates for cattle feed in the future.
- sales by some farmers of their AI-produced calves at excellent prices.

Seven shipments of semen and artificial insemination equipment have been sent to Nicaragua to date. Another shipment of semen is pending and will be shipped in early 2001. The AI Coordinator in Nicaragua continues to work with groups of farmers isolated from the main routes, to establish new "nucleus" areas where AI can be performed by cooperative members or their employees.

A total of 6,938 cows were inseminated from the beginning of the project through December 31, 2000, with reported births of 2,510 calves from those inseminations (1,260 females and 1,207 males).

2. How has BHR/PVC supported program activities?

The BHR/PVC grant support is summarized below along with the financing from Cooperativa San Francisco, Nicaragua.

The BHR/PVC grant financed 25% of the salary and all fringe benefits for one US CRI staff member prior from the subgrant beginning to this reporting period. During this reporting period, beginning June, 2000, it financed the total salary and fringe benefits of one fulltime project monitor in Wisconsin. Since the beginning of the sub-grant it has also financed the travel of five CRI staff members to Nicaragua (19 assignments), salaries of five cattle management technicians who are nationals in Nicaragua and travel and per diem costs of three US consultants in dairy nutrition (total of 4 assignments in Nicaragua) and one consultant in reproduction (1 assignment in Nicaragua). The grant is now also financing the salary of one Nicaraguan Project Manager who was hired in November, 2000.

Cooperativa San Francisco continues to pay the salary and directly related expenses of one local technician and has now begun to pay the salary and expenses of the AI Program Coordinator. Its cost sharing for personnel is \$6,600 per year.

It had earlier been reimbursing CRI for 50% of the cost of the semen, charging participating cooperative members for the semen by deducting each person's share from his/her weekly milk check. As of January 1, 2000, the cooperative began reimbursing CRI 60% of the value of the semen as a part of movement toward sustainability of services once the CRI assistance ends.

In November, 1999, the Cooperative built a facility to house the hammer mill provided by the project and later added an addition. It has provided the land needed to prepare the seed plots, thus avoiding the need for the project to incur land rental expenses. The land cost \$33,500. The cooperative has built an addition to its offices which is now the Artificial Insemination/Genetics Department. The estimated cost of the addition is \$6,000.

3. What future impact potential exists in the current program? Specify time-frame.

The potential exists to improve the genetic level of the cattle and provide better nutrition, both of which contribute to increased milk production and , therefore, increased farmer income and profitability. The technicians performing artificial inseminations report a good ratio between inseminations, pregnancies and births. The results in improved milk production can be measured in 36 months when the cows born from these inseminations finish their first lactations. More immediate results, in increased milk production due to improved nutritional programs, can be measured in the next 8 months.

4. Indicators matrix for subgrant.

The matrix is attached as Annex X.

5. Work plan for January 1 – May 31, 2001.

- Produce cattle nutrition video
- Conduct cattle nutrition education/training to develop a base of clientele for products of the concentrates plant.
- Select and grow grains for formulation of cattle feed to be produced by the concentrates plant.
- Select pilot farms for forage demonstrations.
- Conduct rotating tours so all participating farmers visit the pilot farms.
- Conduct tours of farmers to the modern Nicaraguan dairy farms in Leon.
- Incorporate extra semen costs, to be covered by participating members
- Continue ear tagging of AI project heifers
- Participate in activities that enhance awareness of CRI development activities
- Prepare proposals to obtain additional funds for new and existing projects
- Follow-up on activities being carried out

CDP REPORT INDICATORS, PUSPETA LUWU, 1/1-5/31/'00				
Indicators	Baseline	Total Prior Period	Total This Period	Total June 1, '97-May 31,'00
A. Number of Clients (co-ops, producer associations, groups, etc)	0	2 cooperatives federation; 4 primary cooperatives	2 cooperatives federations; 4 primary cooperatives	2 cooperatives federations; 4 primary cooperatives
B. Number of Individual Members of Client Groups				
1) Male	0	1,840	2,620	2,620
2) Female	0	1,612	2,316	2,316
C. Grants/Contracts/ Business Agreements				
1) Number	0	66	38	104
2) Dollar Volume	0	\$2,848,917	\$1,224,346	\$4,073,263
D. Dollar Amount of Accumulated or Reserve Capital	0	\$589,000	\$648,000	\$648,000
E. Services to Members				
1. Current Services				
a. <u>Consumer Goods</u>		3	3	3
b. <u>Savings/Credit</u>		3	3	3
c. <u>Electricity</u>		2	2	2
d. Agric. Inputs		3	3	3
2. New Services				
a. <u>Coffee</u>		5	5	5
b. <u>Vanilla</u>		4	4	4

CDP REPORT INDICATORS, PROEXSAL 1/1-5/31/00				
Indicators	Baseline	Total Prior Period	Total This Period	Total To Date
A. Number of Clients (co-ops, producer associations, groups, etc)	12 Members 5 non-member Groups	12 Members 27 new Groups	12 Members 11 new Groups	12 Members 43 non member Groups
B. Number of Individual Members of Client Groups				
1) Male	3,872	877	55 10	4,804
2) Female	1,327	226		1,563
C. Grants/Contracts/ Business Agreements				
1) Number		6	4	10
2) Dollar Volume		\$762,300	\$250,000	\$1,012,300
D. Dollar Amount of Accumulated or Reserve Capital	\$25,000			\$25,000
E. Services to Members				
1. Current Services				
a. _____	Marketing & Market Investi- gation	Marketing & Market Investigation	Training in Pro- cessing & pack ing of passion fruit, etc.	
b. _____				
c. _____	Technical Assis	Technical Assis	Organic Certifi	
d. _____	Organic Certifi.	Organic Certifi		
2. New Services				
a. _____		Marketing Training; Importing Products; Registering Members as Exporters	Training in Marketing	
b. _____				

CLUSA DE EL SALVADOR
CDP REPORT INDICATORS
6/1-12/31/2000

Indicators	Baseline	Total Prior Period	Total This Period	Total To Date
A. Number of Clients (co-ops, producer associations, groups, etc)	9- Coop. 2- Groups	10-Coops 3-Groups	1- New Co-op. 2- New Groups	11 - Co-ops. 5 - Groups
B. Number of Individual Members of Client Groups				
1) Male	1,927	2,007	1,024	3,031
2) Female	377	406	256	662
C. Grants/Contracts/ Business Agreements	BID		Austria Aid; USAID/APS; CLUSA/Mitch, Nic; PC/Hond.	
1) Number	1	9	4	13
2) Dollar Volume	\$ 700,000	\$710,656	\$673,026	\$1,383,682
D. Dollar Amount of Accumulated or Reserve Capital.	\$1,700	0	\$1,400	\$3,100
E. Services to Members	Technical assistance in ag. production & enterprise development	All services provided as at baseline.	Technical assistance in ag. production & enterprise development	Technical assistance in ag. production & enterprise development
1. Current Services				
a. _____				
b. _____				
c. _____	Training in Cooperative principles		Training in Cooperative principles	Training in Cooperative principles
d. _____				
2. New Services				
a. _____				
b. _____	Technical assistance in accessing credit		Technical assistance in accessing credit	Technical assistance in accessing credit

CDP REPORT INDICATORS, UNAG/NIC 6/1-12/31,2000				
Indicators	Baseline	Total Prior Period June 1 '97- May 31, 00	Total This Period June 1- Dec 31, '00	Total To Date 6/1/97-12/31/00
A. Number of Members (co-ops, individuals, unions and confederations of co-ops)	35,000 families	35,000 families	35,000 families	35,000 families
B. Organizational Indicators 1. Systemwide Account. System being used 2. Business Plan with bus./ income generation focus in use			Under develop- ment Under development	Under develop- ment Under develop- ment
C. Grants/Contracts/ Business Agreements 1) Number Submitted 2) Number Approved 3) No. Being Implemented 4) Dollar Volume			38 approx. \$3 million	38 approx. \$3 million
D. Dollar Amount of Disposable Funds				
E. Services to Members 1. Current Services a. Project Implementation b. _____ c. _____ 2. New Services a. Lobbying b. _____			38	38

CDP REPORT INDICATORS, A.CO.D., MALI, 6/1-12/31/'00				
Indicators	Baseline, 5/31/97	Total June1, '97 May 31, 2000	Total June 1- Dec. 31, 2000	Total June 1, '97- Dec. 31, '00
A. Number of Clients (co-ops, producer associations, groups, etc)				
Rural enterprises				
Health center mgt. comm.	269	426	11	437
Microfinance	0	44	1	45
Others	0	8	2	10
	0	2	0	2
B. Number of Individual Members of Client Groups				
1) Male	1,180	1,594	123	1,717
2) Female	406	589	45	634
C. Grants/Contracts/ Business Agreements				
1) Number	4	15	7	22
2) Dollar Volume		\$293,957	\$125,165 (714 cfa =US \$1)	\$419,122
D. Dollar Amount of Accumulated or Reserve Capital	\$4,692	\$9,685	\$16,779	\$26,464
E. Services to Members				
1. Current Services				
a. <u>Training/Mgt.</u>	475	576	680	1,256
b. <u>Train/Adm.</u>		42	509	551
c. <u>Train/Animators</u>		59	0	59
d. <u>Train/Trainers</u>		20	0	20
2. New Services				
a. <u>Translations</u>		1	0	1
b. <u>Soc/Ec Studies</u>		1	0	1
c. <u>Prep. Train Mats.</u>				
d. <u>Project Evals.</u>		1	0	1
e. <u>Literacy Train.</u>		1	0	1
f. <u>Commis. Followup</u>				
g. <u>Org. Train. Sess.</u>		1	380	381

CDP REPORT INDICATORS, G.FORCE, MALI, 6/1-12/31'00				
Indicators	Baseline 5/31/97	Total June 1, '97 May 31, 2000	Total June 1- Dec 31, '00	Total June1 '97- Dec. 31, '00
A. Number of Clients (co-ops, producer associations, groups, etc) Rural enterprises Health center mgt. com. Parents groups NGO projects Others	66 4 1	233 35 17 8 0	12 0 0 1 1	245 35 17 9 1
B. Number of Individual Members of Client Groups 1) Male 2) Female		2201 2122	316 294	2,517 2,416
C. Grants/Contracts/ Business Agreements 1) Number 2) Dollar Volume Protocols		5 \$138,288	4 \$1,639 (714 cfa = US 1\$)	9 \$139,927
D. Dollar Amount of Accumulated or Reserve Capital		\$36,930	\$655 (714 cfa = \$1US)	\$37,585
E. Services to Members Current services a. Training managers b. <u>Train. administra.</u> c. Train. animators d. <u>Train. trainers</u> <u>New Services</u> a. <u>Socio-econ. studies</u> b. Prepara. train. materials c. Translations d. Project evaluations e. Literacy f. Organization of train. sessions g. Followup commission work	Nothing listed in Section E.		1 1 1	1 1 1

CDP REPORT INDICATORS, INAGEF, MALI, 6/1-12/31/'00				
Indicators	Baseline	Total June 1 '97 May 31, 2000	Total June 1- Dec. 31, 2000	Total June 1, '97- Dec. 31, '00
A. Number of Clients (co-ops, producer associations, groups, etc)	none			
Rural enterprises		74	2	76
Health center mgt. comm.		7	0	7
Parents groups		28	5	33
NGOs/projects		0	0	0
Community Councils		12	11	23
Microfinance		1	0	1
B. Number of Individual Members of Client Groups				
1) Male	none	6,124	3,236	9,360
2) Female		8,648	335	8,983
C. Grants/Contracts/ Business Agreements				
1) Number	none	15	3	18
2) Dollar Volume	none	\$78,681	\$7,451 (714 cfa = \$1US)	\$86,132
D. Dollar Amount of Accumulated or Reserve Capital	none	\$16,611	0	\$16,611
E. Services to Members				
1. Current Services				
a. <u>Training/Manage.</u>				
b. <u>Train/Administrator</u>				
c. <u>Train./Animators</u>				
d. Train/Trainers				
2. New Services				
a. Socio-econ. Studies		1	0	1
b. Translations		11	1	12
c. Prep. Train. Materials		1		1
d. Project Evaluations				
e. Literacy				
f. Followup commission work				
g. Organiza. train sessions		19	0	19

CDP REPORT INDICATORS, SABA, MALI, 6/1-12/31/'00				
Indicators	Baseline	Total June 1, '97- May. 31, '00	Total June 1- Dec. 31, 2000	Total June 1,'97- Dec. 31, '00
A. Number of Clients (co-ops, producer associations, groups, etc)				
Rural Enterprises	66	228		259
Health center mgt. comm.	0	20	31	33
Non-govt. organizations	2	3	13	3
Community orgs. (villages)		92	0	98
CRU (Regional Commiss.)		18	6	18
			0	
B. Number of Individual Members of Client Groups				
1) Male	4,663	20,940	218	21,158
2) Female	4,542	9,430	122	9,552
C. Grants/Contracts/ Business Agreements				
1) Number	3	21	0	21
2) Dollar Volume	\$85,405 (500cfa= 1US\$)	\$887,182		\$761,246 (714 cfa = \$1US)
D. Dollar Amount of Accumulated or Reserve Capital	\$1,109(500 cfa = 1\$US)	\$66,435	0	\$68,906 (714 CFA = \$1US)
E. Services to Members				
1. Current Services	52	266	56	322
a. <u>Training/Manage.</u>				
b. <u>Train/Administrators</u>				
c. <u>Train/Animators</u>				
d. <u>Train/Trainers</u>				
2. New Services				
a. <u>Socio/econ.Studies</u>	1			
b. <u>Translation</u>	1			
c. <u>Training Materials</u>	1			
d. <u>Project Evaluation</u>	1			
e. <u>Literacy</u>		3		3
f. <u>Followup commission work</u>		1		1
g. <u>Organization of Training Sessions</u>		1		1
h. <u>Training of regional commissions of users of economic and</u>		7	0	7

CDP REPORT INDICATORS, SABA, MALI, 6/1-12/31/'00				
Indicators	Baseline	Total June 1, '97- May. 31, '00	Total June 1- Dec. 31, 2000	Total June 1,'97- Dec. 31, '00
<u>agronomic research results</u> i. <u>Preparation of sub-projects for community dev.</u> j. Support to health commissions k. Counsel to ASACO		2 1 1		2 1 1

* Figures from prior reporting period.

CDP REPORT INDICATORS, POSDEV, 6/1-12/31/00				
Indicators	Baseline	Total Prior Period	Total This Period	Total To Date
A. Organizational Indicators – by-laws, operating procedures, policies, systems, accounting procedures in place.		NGO registration completed; bank account/work plan/by-laws/mission statement/oper. procedures/policies established. Secretariat operational. Computerized acc. sys. in place; compensa. sys. defined	Benchmarks for institution. growth developed for next 3 yrs; Mid term evalua. conducted; Endorsement of proposed amend's. and policy guidelines by General Assembly	NGO registration completed; all policies & procedures in place; Coordinator in place. NCBA/POSDEV sub-agreement signed. Consolidation of POSDEV as an institution.
B. Number of Affiliated Organizations		12 indigenous cooperative development organizations and NGOs	1 new organization admitted into membership	13 indigenous cooperative development organizations and NGOs
C. Number of Clients (ICDOs, co-ops, producer associations, groups, etc.)		All clients of 12 member organizations	Clients of 1 new member organization	Clients of 13 member organizations and other national NGOs
D. Grants/Contracts/ Business Agreements 1) Number Submitted 2) Number Approved 3) Dollar Volume		8	4	12
		5	2 pending (EU & IFAD)	5
		\$57,000	\$73,000	\$130,000 (approved contracts only)
E. Dollar Amount of Accumulated or Reserve Capital		\$16,574	\$2,000	\$18,574
F. Services to Clients 1. Current Services a. <u>Tech. Assis/Advice</u> b. Exper. Exchange c. Information Exch. d. Promotion 2. New Services a. Bus. Promotion b. _____		2 train. sessions 1 exch. visit; 3 Gen. Assem.; 5 newsletters; approx. 100 promotions of members; 3 presentations of opport. for programming/resource access; 8 explorations of business opportunities	1 train. session in finan. mgt; 5 newsletters; 1 exch. visit; 3 Gen. Assem. NEW SER: 2 new partnership opened with EU & IFAD; 1 new partnership with MSH, US PVO.	5 partnerships opened for members; 7 newsletters; 100 Promotions of members; regular pres. re prog. opport.; explora. 8 bus. opport.; Leland Initia. support approved for member organizations.

CDP REPORT INDICATORS, POSDEV, 6/1-12/31/00

Indicators	Baseline	Total Prior Period	Total This Period	Total To Date
G. Services to Donors 1. Current Services a. Provision of human resources b. <u>Execution of component of Dimitra Project</u> c. <u>Formulation of Trainer of Trainers Program for IFAD Rural Enterprises Project/Ghana</u> d. _____ 2. New Services a. <u>Coordinating Regional Programs</u> b. _____		2	2	2
			One under review	One under review

CDP REPORT INDICATORS, CRI, 6/1-12/31 '00				
Indicators	Baseline	Total Prior Period	Total This Period	Total June 1, '97-Dec. 31, '00
A. Number of Clients (co-ops, producer associations, groups, etc)	1	3	0	2 (2 co-ops merged)
B. Number of Individual Members of Client Groups				
1) Male	98	143	0	143
2) Female	12	18	0	18
C. Training				
1) number and type of sessions: artificial insemination & nutrition	0	9	2	11
2) number of participants				
a. male	0	132	2	134
b. female	0	16	1 (Peace Corps Volunteer)	17
D. Herd Improvement				
1) Amount of semen Provided	0	6,370 units	1,808	8,178 units
2) Number of cows inseminated	0	4,929 cows	2,009 cows	6,938 cows
3) Number of calves born	0	1,896	614 calves	2,510 calves
E. Co-op Services to Members				
1. Current Services				
a. <u>Insemination</u> .				
b. <u>Palpation</u>				
c. <u>Reproduction</u>				
d. <u>Heat Detection</u> .				
2. New Services				
a. Concentrates				
b. Forage Analysis				
c. Nutrition				
F. Economic Indicators				
1) Income to participants thru increased milk produc.				
2) Cost Recovery				
a) Dollar amount of costs for service recovered by co-ops	0	\$3-3.60/unit \$20,398	\$3.60/unit* \$12,540	\$3.00-3.60/unit \$32,938

CDP REPORT INDICATORS, CRI, 6/1-12/31 '00

Indicators	Baseline	Total Prior Period	Total This Period	Total June 1, '97-Dec. 31, '00
b) Percent of farmers paying for services received	0	100%	100%	100%
3) Credit				
a) number of loans		2	0	2
b) dollar volume		\$14,700	0	\$14,700
d) percent repaid		27.6%	11.5%	39.1%

*The cost of service for this period reflects payments for semen shipped prior to Jan. 1, 2000. Thus the \$3.00 per unit cost applies. The new \$3.60 per unit cost applies only to semen shipped after Jan. 1, 2000.